



# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's  
environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

April 2, 2015

Mr. Benjamin J. Davis  
Ballard Petroleum Holdings, LLC  
845 12th Street West  
Billings, MT 59102

CERTIFIED MAIL

RE: Notice of Violation, Docket #5564-15

Dear Mr. Davis:

Enclosed you will find a Notice of Violation (NOV) issued to Ballard Petroleum Holdings, LLC by the Department of Environmental Quality, Air Quality Division, for failure to permit, control emissions, conduct monitoring, and report emissions at the Gaither Draw Unit Central Tank Battery facility located in Campbell County, Wyoming. By failing to permit, control emissions, conduct monitoring, and report emissions, Ballard Petroleum Holdings, LLC has not followed the Oil and Gas Production Facilities Chapter 6, Section 2 Permitting Guidance and is in direct violation of the construction permitting requirements of Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations.

As the Department and this Division consider the failure to comply with air quality permitting requirements to be a serious matter, I am considering recommending the Department refer these violations to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties. If you would like to discuss settlement of this Notice of Violation prior to referral to the Attorney General's office, please contact Ms. Ann Shed, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding this matter, please feel free to contact me or Ms. Ann Shed.

Sincerely,

Steven A. Dietrich  
Administrator  
Air Quality Division

cc: Fred DiLella  
Ann Shed  
Landon Brown  
Elizabeth Lyon  
Tanner Shatto





IN THE MATTER OF THE NOTICE OF VIOLATION )  
ISSUED TO BALLARD PETROLEUM HOLDINGS, LLC ) DOCKET NO. 5564-15  
BENJAMIN J. DAVIS )  
845 12th STREET WEST )  
BILLINGS, MT 59102 )

**NOTICE IS HEREBY GIVEN THAT:**

7. In accordance with the Oil and Gas Production Facilities Permitting Guidance, within 60-days of the first date of production, flashing emissions containing greater than or equal to 10 TPY of VOCs shall be controlled by at least 98%. Tank emissions at this facility were calculated to be 32.3 TPY of VOC using a declined production rate of 202.2 BPD. Actual VOC emissions in 2008, 2009, 2010, 2011, 2012, 2013 and 2014 were 21.6 tons, 23.6 tons, 18.9 tons, 49.2 tons, 48.0 tons, 50.3 tons and 31.3 tons, respectively. Therefore, major source and PSD levels for VOCs were not exceeded prior to control installation.



8. Tank emissions should have been controlled by August 29, 2008. The tank emissions at the facility were not controlled until August 24, 2014 which is almost six years late; therefore the emissions control, monitoring and reporting requirements under the Oil and Gas Production Facilities Permitting Guidance were also not met. By failing to control emissions, conduct monitoring, and report emissions as required, Ballard Petroleum Holdings, LLC has not followed the Oil and Gas Production Facilities Chapter 6, Section 2 Permitting Guidance and is in direct violation of the construction permitting requirements of Chapter 6, Section 2(a)(i) of the WAQSR.

9. Said violations consist of the failure to permit, control emissions, conduct monitoring, and report emissions at the Gaither Draw Unit Central Tank Battery facility in violation of W.S. 35-11-801(c) of the Wyoming Environmental Quality Act and Chapter 6, Section 2(a)(i) of the WAQSR.

10. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars (\$10,000.00) for each violation for each day during which the violation continues, a temporary or permanent injunction, or both a penalty and an injunction.

11. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 2<sup>nd</sup> day of APRIL, 2015.



Steven A. Dietrich  
Administrator  
Air Quality Division



Todd Parfitt  
Director  
Department of Environmental Quality

Please direct all inquiries to Steven A. Dietrich, Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393.)